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<u>REMARKS</u>

Claims 1-20 are pending in the present application after this amendment adds new claims 19 and 20. Claim 1 is amended by this amendment. No new matter is introduced by the amendments and new claims, which find support throughout the specification and figures. In particular, the amendments and new claims are supported at least at page 12, lines 15-21, in the specification. In view of the amendments and the following remarks, Applicants respectfully request that the pending claims be allowed.

Applicants gratefully acknowledge the Examiner's assistance in reviewing the patent application in the telephonic conference on January 12, 2007.

Claims 1-18 are rejected under 35 U.S.C. 103(a) as being unpatentable over United States Patent No. 5,835,087 to Herz (hereinafter referred to as Herz). Applicants respectfully traverse.

Claim 1 relates to an in-contents advertising method that includes, inter alia, activating in a user terminal in a game program by a user digital contents, and determining that the digital contents have been activated by the user. The method of amended claim 1 includes receiving input from the user via a user interface of the game program after the transferring of the retrieved advertising information.

With respect to the digital content being activated in a game program, the Examiner asserts that the "game program" limitation, as compared to the news program of Herz, is an obvious variation. However, the present invention significantly differs from Herz in that this invention relates to an in-contents advertising method or a digital contents distribution system, while Herz relates to a news clipping service that may deliver news articles (or advertisements and coupons for purchasables). Applicants maintain that the motivation to modify Herz, "to attract a younger audience", is improper. Obviousness can only be established by combining or

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modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art. (MPEP 2143.01, emphasis added). "The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art." In re Kotzab, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000). The Examiner asserts that the motivation to modify the news service in Herz to a game program to attract younger users (Office Action; page 3, lines 3-7). However, as stated above, this conclusory reasoning is insufficient to support a claim of obviousness. Therefore it is respectfully submitted that Herz does not render obvious the unamended claims.

Claims 2, 3, and 14 depend from claim 1 and are therefore allowable for at least the same reasons as claim 1 is allowable.

Claims 4, 5, 12, and 13 include features similar to those discussed above in regard to claims 1 and 2, and therefore, for at least the same reasons claims 1 and 2 are allowable, claims 4, 5, 12, and 13 are also allowable.

Claims 6-11 and 15-18 depend from one of claims 4, 5, 12, and 13, and are therefore allowable for at least the same reasons as their respective base claims are allowable.

Additionally, as regards the insufficiency of the previous rejection of claims 14-18, the Examiner asserts that the features of claims 14-18 are inherent in a game/movie program (Office Action; page 4, line 15, to page 5, line 2). The Office Action takes Official Notice of the features of these claims. Applicants challenge the taking of Official Notice, and assert that the Examiner improperly relies on personal knowledge, thereby undermining the prosecution process by

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depriving the Applicant of the opportunity to examine and analyze the references. Therefore, Applicants respectfully request that the Examiner provide anticipating support for the features recited in the claims, or alternatively, that the rejections be withdrawn.

claim 1 to include the limitation of receiving input from the user via a user interface of the game program after the transferring of the retrieved advertising information. Applicants respectfully submit that Herz does not disclose this feature. The Examiner appeared to indicated in the telephonic interview mentioned above that a user's input of search terms would be considered equivalent to a user input via a user interface, as now claimed in the amendment to claim 1. However, the user input identified by the Examiner must precede the transferring of the retrieved advertising information, since the content of the information is apparently determined by the user input in Herz. In contrast, in the present invention, the advertising information cannot be determined by the user input, only the timing and location of the presentation of the advertisement information is influenced by the user input, since the transferring occurs prior to the user input via the user interface. Herz fails to disclose or suggest the advertisement information being transferred to the user terminal prior to receiving input from the user via a user interface of the game program. Therefore claim 1 and its dependent claims are allowable over Herz for at least this additional reason.

New claims 19 and 20 depend from claim 1 and are therefore allowable for at least this reason. Additionally, claim 19 recites that the digital contents include a moving image, the retrieved advertising information is inserted in a predetermined part of the digital contents, and the advertising information is included in the predetermined part of the digital contents. It is respectfully submitted that Herz does not disclose or suggest all of these features. Herz does not

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disclose or suggest a moving image as the advertising information, nor does Herz disclose or suggest the retrieved advertising information is inserted in a predetermined part of the digital contents. Therefore for at least this additional reason claim 19 is allowable.

Claim 20 recites that the game program is a driving game program, the digital contents include at least one vehicle operated by the user, the advertisement information is inserted on an exterior of the at least one vehicle, and the advertisement information and the digital contents are dynamically presented to the user. It is respectfully submitted that Herz does not disclose or suggest any of these features. Therefore for at least these additional reasons claim 20 is allowable.

CONCLUSION

In view of the remarks set forth above, this application is believed to be in condition for allowance which action is respectfully requested. However, if for any reason the Examiner should consider this application not to be in condition for allowance, the Examiner is respectfully requested to telephone the undersigned attorney at the number listed below prior to issuing a further Action.

Any fee due with this paper may be charged to Deposit Account No. 50-1290.

Respectfully submitted,

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